



APPROVED MINUTES

SUNNYVALE HOUSING AND HUMAN SERVICES COMMISSION WEDNESDAY, MARCH 27, 2013

The Housing & Human Services Commission met in a regular session in the Council Chambers at City Hall, 456 West Olive Avenue, Sunnyvale, CA 94087 on March 27, 2013 at 7:00 p.m. with Chair Dietrich presiding.

Meeting was called to order at 7:06 pm.

ROLL CALL

Commission Members Present:

Eric Anderson, Dennis Chiu, Hannalore Dietrich, Patti Evans, Diana Gilbert, Younil Jeong, Barbara Schmidt

Commission Members Absent: None

Commission Liaison: Vice Mayor James Griffith

Staff Present: Suzanne Isé, Housing Officer and Edith Alanis, Housing Programs Technician

Others: Various non-profit representatives and other members of the public.

SCHEDULED PRESENTATION

None

PUBLIC ANNOUNCEMENTS

None

CONSENT CALENDAR

1. A. Approval of Draft Minutes of February 27, 2013
1. B. Approval of Housing & Human Services commission Draft Work Plan

Chair Dietrich asked for a motion to approve the consent calendar.

Commissioner Chiu moved and Vice Chair Evans seconded to approve the consent calendar.

Motion passed unanimously 7-0-0.

PUBLIC COMMENTS

None

PUBLIC HEARINGS/GENERAL BUSINESS

2. Public Hearing: Evaluations and Funding Recommendations for FY 2013-14 Human Services Grants and CDBG/HOME Capital Project Loans

Ms. Isé introduced this item with a brief overview and some background, beginning with the Human Services funding portion. Staff received twenty-three proposals for human services funding, all for much-needed services. Staff regrets that funding is not sufficient to fund all of the proposals, and estimates that approximately \$274,300 will be available for human services next year. That amount is 13.6% less than the total funding available last year (\$317,000). This funding is comprised of CDBG public services funds, plus \$100,000 in City supplemental general funds. HUD staff recently indicated that the amount of CDBG funding available may be slightly more than current staff assumptions, but as that was not official, staff is using a conservative estimate to be on the safe side. The allocations can be increased later to either fund more proposals or increase grant amounts, if the actual CDBG funding from HUD is higher than this estimate.

Ms. Isé noted that the commission may concur with staff's scores and rankings, or may opt to score and rank the proposals independently, or may choose another method for making its funding recommendations. She suggested that the commission include specific direction as part of its motion regarding how to adjust the recommended allocations if the total funding amount increases or decreases compared to staff's current estimate. As noted in the memorandum, staff recommends these adjustments be made using the ranked list of proposals, and adding or removing proposals from the funded list, until all available funds are awarded. She also suggested that the commission not award grants of less than the \$10,000 minimum, because grants below that amount are not cost-effective, given the amount of time it takes City and grantee staff to manage and administer the grants consistent with CDBG and City requirements.

The commission asked Vice Mayor Griffith when the Council will make the final decision on how much to provide in supplemental general funds. Vice Mayor Griffith responded that the Council will decide when it considers the commission's recommendations in May, and that the amount will depend in part on how much CDBG money is received. He also urged the commission to provide specific direction on how to adjust their recommended allocations if the final funding amount is more or less than the current estimate.

Commissioner Gilbert asked staff about the process for ranking the requests and determining recommended funding amounts. Ms. Isé explained that first staff averaged the technical scores issued by a three-person scoring committee comprised of staff from the Housing Division and the Finance Department. Staff then ranked all of the proposals highest to lowest by average technical score. Staff then started from the top of the ranked list and allocated funding using the greater of the following amounts: a) for current grantees, the current year's grant amount reduced by approximately 13.6%, due to the reduction in total funds available; or b) the minimum grant amount of \$10,000. All grant amounts resulting from this method were then rounded to the nearest \$100. Staff applied this formula to the proposals in the order of their ranking, until all available funds were allocated.

After this initial allocation process, staff created a pie chart of the tentative grant amounts based on percent of total funding available that would be awarded to each of the four priority need categories, and within those, to the sub-categories, as identified in the priority needs Council hearing in November 2012. Staff then compared the new pie chart to the funding targets

established by Council at the priority needs hearing, based on prior years' averages. Staff noticed that no funding had been awarded to the "Shelter" sub-category of the Basic Needs priority category, or to the "Youth Intervention" priority need category. Staff could not allocate any funding for the Youth category because no proposals were received in this category. However, the lack of funding for the Shelter sub-category was a concern, because addressing the needs of homeless people is a significant Consolidated Plan priority.

In order to address this concern, staff allocated \$10,000 to the Winter Shelter proposal from EHC LifeBuilders, although it was not the next-ranked proposal on the list, because it was the only one providing emergency shelter at a large facility in Sunnyvale (the Armory). In order to generate \$10,000 for the Shelter sub-category, staff reduced several of the largest allocations to proposals ranked at or near the bottom of the list. The resulting recommended allocations are presented in Attachment 1 to the memorandum.

Chair Dietrich opened the public hearing at approximately 7:25 p.m.

The following applicants spoke about their programs, thanked staff for their funding recommendations, thanked the commission and the City for its long-term support of their programs, and stressed the need for continued funding, especially given the funding reductions from other sources:

Jo Bailard, Abilities United: Services for Disabled Sunnyvale Residents
Jerome Burstein, Health Mobile: Dental Care for Uninsured Children
Kathleen M. King, Santa Clara Family Health Foundation: Healthy Kids Program
Lynn Morrison, Bill Wilson Center: Family and Individual Counseling
Jenny Nicklaus, EHC LifeBuilders: Winter Shelter Program for Sunnyvale Residents
Kyra Kazantzis, Law Foundation of Silicon Valley: Fair Housing Services
Colleen Hudgen, Live Oak Adult Day Services: Adult Day Care at Cupertino Center
Mary Vollinger, The Health Trust: Meals on Wheels
Olivia V. Garcia, Catholic Charities: Long Term Care Ombudsman
Sujatha Venkatraman, West Valley Community Services: "Haven to Home" supportive services and case management for homeless clients
Maritza Henry, Family and Children Services: Youth Counseling Assistance
Tammie Pitkin, Catholic Charities: Adult Day Care "Day Break" at Sunnyvale Center

Chair Dietrich asked Mr. Burstein if an award of \$5,000 would be helpful to his agency, although staff did not recommend any funding for his proposal. Mr. Burstein said yes, it would be, and the funds would be used for children's dental care services that his agency cannot bill to MediCal.

The following speakers also thanked the City and made the following comments:

Marie Bernard, Executive Director of Sunnyvale Community Services (SCS), expressed appreciation for the City's past support and any future funding, but pointed out that the staff-recommended \$64,800 award is less than the agency received in prior years. She asked that the commission consider increasing the amount to their full request of \$75,000.

Gloria Baxter, Executive Director of Lighthouse of Hope Counseling Center, said that although her agency was not recommended for funding, with a little funding she could bring her services to the City of Sunnyvale, and several local schools had expressed an interest in her programs.

Adriana Caldera, Director, Domestic Violence Department of YWCA Silicon Valley, emphasized her agency's longstanding relationship with Sunnyvale and its history of serving many Sunnyvale residents in crisis situations due to domestic violence. She noted that the recommended \$10,000 award is forty-seven percent less than the funding received in the last cycle, and asked the commission to increase its award.

Georgia Bacil, Directing Attorney of Senior Adults Legal Assistance, thanked staff for recommending the full \$10,000 her agency requested. She noted that if the commission decided to recommend an amount below \$10,000, her agency may be dropped from the list, as City policies require a minimum grant of \$10,000.

Chair Dietrich closed the public hearing at approximately 8:25 p.m., and called for a short break. She called the meeting back to order at approximately 8:35 p.m.

Vice Chair Evans asked about the amount recommended for SCS, and what the maximum award can be for any agency. Ms. Isé explained that Council policy on human services funding caps the maximum grant amount for any proposal to 25% of total available, which is estimated to be \$274,300. The amount recommended for SCS is approximately 25% of the total¹ (see note below). She also noted that the award of \$15,000 recommended for the Fair Housing Services proposal is from a separate funding source, CDBG administrative funds, which can be used for fair housing, and is not part of the human services funding total. The amount requested by SCS (\$75,000) is more than the 25% cap set by Council policy, and staff is not authorized to waive or disregard Council policy.

Chair Dietrich asked Vice Mayor Griffith to comment about the 25% cap. He replied that he couldn't advise the commission to violate Council policy. However, the commission could offer two recommendations for Council consideration: one in conformance with the policy and another that may deviate from the policy.

Commissioner Chiu said he supports recommending \$75,000 for SCS because they are unique among non-profits, as they are a hub that provides operating space for several agencies. Increased funding for SCS provides additional support for several non-profits.

Ms. Isé was asked if applicants think it is worthwhile to receive grants of less than \$10,000, such as \$7,000. Ms. Isé responded that opinions about this vary. Some agencies insist it is worthwhile, while several prior grantees awarded less than \$10,000 in prior cycles have told staff they were not re-applying, as such small grants were not worth the level of effort required by the City. A current grantee recently explained they were not re-applying for City funding, as they could get similar funding just by having lunch with a donor. Also, HUD has informally advised staff that, at least for CDBG grants, amounts of less than \$15,000 to \$20,000 are generally not considered cost-effective, given the costs of complying with all the federal requirements attached to CDBG funds.

After some additional discussion, the following motion was made:

¹ CORRECTION: During the meeting, staff inaccurately responded to this inquiry that the recommended \$64,800 for SCS was based on the 25% funding cap. In fact, that amount was based on the 13.6% reduction from current year funding, as explained earlier in the meeting. The current SCS grant of \$75,000 was reduced by 13.6% to produce the allocation of \$64,800, which is \$3,775 below the actual 25% cap of \$68,575, which was correctly noted in the memorandum to the Commission on this item. Staff apologizes for this error.

Commissioner Anderson moved and Commissioner Chiu seconded that:

- 1) The minimum grant amount be reduced to \$8,000, with the following reductions:**
 - Reduce Abilities United and Long Term Care Ombudsman to \$9,000 each; and**
 - Reduce Meals on Wheels, Senior Adults Legal Assistance, Silicon Valley Independent Living Center, Vision Literacy, and West Valley Community Services to \$8,000 each; and**
- 2) Increase Bill Wilson Center to \$13,000 and YWCA Silicon Valley to \$11,000; and**
- 3) Increase SCS to \$75,000 if Council agrees to waive the 25% cap; or**
- 4) If Council does not want to waive the 25% cap and/or if the City receives additional funds, award SCS 25% of the total, up to their \$75,000 request, and distribute any remaining funds as follows, to the extent available:**
 - Increase EHC LifeBuilders and YWCA Silicon Valley up to \$15,000 each; and**
 - Increase Bill Wilson Center up to \$17,000; and**
- 5) After the above steps, if any funds remain unallocated, distribute the remainder generally pro-rata, at staff's discretion, first increasing all grants to at least \$10,000 if possible and then among the rest of staff's list of grants, with all amounts rounded to the nearest \$500; and**
- 6) If total funding is less than the estimate, follow staff's recommendation to move the line upward along the ranked list, removing allocations from the bottom of the list, until the total allocation matches total available funding.**

Motion carried passed 6-1-0 with Commissioner Schmidt dissenting.

Commissioner Schmidt explained she did not support the motion because: she did not have all of the same detailed background information on the applicants that staff has, nor the familiarity with the agencies that the longer-serving commissioners have; and she did not understand the reason for Commissioner Anderson's motion to cut some grants and increase others. She would prefer cutting the Senior Nutrition Program rather than Meal on Wheels, because its clients are housebound and cannot go out at all to get food. She supports giving additional money to the YWCA, but was concerned about the increase to the Bill Wilson Center, because no reason was provided for increasing their award.

Commissioner Anderson explained the reason for his motion was more mathematical than based on any desire to fund any particular program at a specific amount. He felt that programs that were granted less than \$10,000 last year should not automatically be increased up to \$10,000 this year, while others' grants were being reduced. Therefore he recommended keeping their grants closer to last year's amounts, but not going below \$8,000. The three grants he recommended increasing, if funding were available, are those that would face the biggest reductions compared to last year under staff's proposed allocations.

Vice Chair Evans moved and Commissioner Jeong seconded to recommend that, if Council agreed it was appropriate, staff should write recommendation letters for the agencies that did not receive funding, verifying that they met eligibility requirements but due to a lack of funds, the City was unable to fund them this year.

Motion passed unanimously 7-0-0.

Chair Dietrich called for a five-minute break before continuing with the capital project funding proposals, and reconvened the meeting shortly after 9:30 p.m.

Ms. Isé gave a brief presentation on the two proposals received in response to the Request for Proposals. Charities Housing applied for a loan of \$850,000 in HOME funds reserved for community housing development organizations (CHDOs) to build 60 studio apartments at the Armory site. The requested funding amount equals 4% of the total development cost, and the applicant will provide a 96% match.

SCS, a community-based development organization (CBDO), applied for a grant of \$220,000 in CDBG funds for a workforce development program for homeless and at-risk Sunnyvale residents, implemented in partnership with the Downtown Streets Team (DST). The first year of this pilot program has been very successful, with a number of clients obtaining paying jobs, and several moving into permanent housing.

Chair Dietrich opened the public hearing at approximately 9:40 p.m.

Kathy Robinson of Charities Housing thanked staff for its hard work and the commission for considering its funding request. Sixty studio units are proposed. Eighteen of the units will be reserved for homeless applicants, and eleven will be for County mental health clients who are able to live independently in the community. Commissioner Anderson asked if there are any special services to monitor special needs residents to help facilitate their integration into the housing community. Ms. Robinson said Charities Housing has three other housing projects with similar tenant populations, so it has a lot of experience in providing supportive housing to residents with special needs. She also said that in addition to the eleven individuals receiving mental health services, an additional eight tenants will receive case management and supportive services through the County's "Continuum of Care" program for homeless residents. Ms. Robinson noted that Charities Housing is offering a bus tour of some of their similar housing developments on April 13th, and the Commissioners are invited to attend that tour.

Marie Bernard, Executive Director of SCS, explained that SCS administers this Workforce Development Program, also known as "Work First Sunnyvale". The program is implemented in partnership with DST, which has been a wonderful partner to SCS. The main goal of SCS is to prevent homelessness, whereas DST serves those who are homeless or are recovering from recent episodes of homelessness. Ms. Bernard noted that during her recent visit to the Armory, one of the program participants gave her a big hug because the program had recently helped her move into an apartment after she had been homeless for ten years.

Commissioner Jeong asked for more detail about how the funding works. Ms. Bernard explained that the program trains and leads the homeless team members in providing volunteer services, such as cleaning public parks and maintaining facilities such as the Armory. As a reward for their service, volunteers receive food and vouchers for short-term housing or other in-kind aid, as well as case management services and assistance in finding housing and jobs.

Ms. Isé added that DST uses two funding streams in its agency-wide programs: The City's CDBG grant pays for DST to provide the employment development and job search services in Sunnyvale, and lead the Sunnyvale team in cleaning up an area that includes part of Fair Oaks Avenue, Fair

Oaks Park, and the Armory. A small amount of the CDBG grant goes to SCS to administer the grant and provide some additional assistance to program clients, such as weekly food items.

The other funding stream DST accesses elsewhere but not currently in Sunnyvale, comes from contracts with various parties for paid services such as street cleaning, landscaping, and creek clean-up. The payments earned by DST are used to provide food and housing assistance to the participating team members and to manage the program. Sunnyvale has not contracted with DST this way, but some cities' public works or parks departments have, as well as some downtown business associations and other entities, mostly in Palo Alto and San José.

Chair Dietrich closed the public hearing at approximately 9:50 p.m.

Vice Chair Evans moved and Commissioner Anderson seconded a motion to approve the staff recommendation: Provide a HOME loan of up to \$850,000 in CHDO funds to Charities Housing for the proposed Armory Studios Project; and provide a \$220,000 CDBG grant to Sunnyvale Community Services for the Sunnyvale Workforce Development Program.

Motion passed unanimously 7-0-0.

NON-AGENDA ITEMS AND COMMENTS

- **BOARDMEMBERS OR COMMISSIONERS ORAL COMMENTS**

Commissioner Chiu announced that a free tax preparation event for lower-income filers will be held on April 6th, from 10 a.m. to 6 p.m., at 2102 Almaden Valley Road in San Jose.

Chair Dietrich said she had attended several of the City's recent public outreach meetings, including those on the Lawrence Station Area Plan, which she found very valuable and informative. She also attended the recent Friends of the Library book sale, and urged everyone to attend future book sales to support the library.

Vice Mayor Griffith thanked the commission for its work, noting that the task of allocating the human services funding is the hardest thing Council asks any commission to do. He emphasized that Council wants to understand their reasons for making their recommendations.

- **STAFF ORAL COMMENTS**
None

INFORMATION ONLY ITEMS

None

ADJOURNMENT

Meeting adjourned at approximately 10 p.m.

Respectfully submitted,

Suzanne Isé
Housing Officer